



Franklin-McKinley School District

Enriching young people's minds

Dr. John R. Porter, Jr.
Superintendent

645 Wool Creek Drive, San Jose, CA 95112
(408) 283-6000 Fax (408) 283-6022

June 22, 2007

FILED/ACCEPTED

JUL 19 2007

Federal Communications Commission
Office of the Secretary

DUCKET FILE COPY ORIGINAL

Delma Juarez
Franklin-McKinley School District
Billing Entity Number: 144318
645 Wool Creek Drive
San Jose, CA 95112

Dear FCC Staff,

CC: 02-6

Subject: Appeal to Form 471 Application Number 477732
CC Docket No. 02-6

The Franklin-McKinley School District, San Jose, CA, is respectfully submitting an appeal to Universal Service Administrative Company's decision to deny the funding commitment for Form 471 Application Number 477732, six months after it was approved. The FCC Registration Number is 0012890588.

On May 10, 2007, an appeal letter was submitted to the Schools and Libraries Division asking for an adjustment to the *Notification of Commitment Adjustment Letter*. Unfortunately, the request was denied by the Universal Service Administrative Company (USAC).

We do not believe the funding should be removed from us. We are asking for consideration from the FCC to assist the Franklin-McKinley School District with this matter.

On July 12, 2006, Franklin-McKinley School District received a *Funding Commitment Decision Letter* from USAC for the amount of \$826,856.96. The letter clearly stated that it was approved. There were no indications on the letter that the approval was based on any contingency. It was the same letter that we have received over the years.

Because the notification was after the Funding Year 2005, I placed a call to the USAC support desk on July 19, 2006, asking for clarification of next steps to move forward with this project. I was told to proceed with the E-Rate procedures as normal. The case number for that call is 21-447429.

In addition, because of the late fund notification, Franklin-McKinley School District decided to cancel FRN 1319378 and FRN 1319418 from Form 471 - 477732; thereby reduced the approved amount from \$826,856.96 to \$539,722.02.

In November of 2006, a Project Planning Meeting was held, between us and the approved service provider for this project. The equipment was ordered, installed, and the project was completed by early March 2007. This was all done in good faith that E-Rate funding was approved and that we would be reimbursed as we had been in past years.

It was January 24, 2007, that we received the adjustment letter notifying us that the funding had been rescinded - six months after it was approved and one month after we purchased the equipment. In all the years that we have participated in the E-Rate program, I have never heard of anyone's funding being cancelled after it has been approved by USAC. It has always been my understanding that validation of requirements and processes occurs prior to approval. Once it is approved, we are ready to move forward with the project.

No. of Copies rec'd 0
List A B C D E

Board of Education

The Franklin-McKinley School District truly believes technology enhances our students' education. We work diligently towards funding the necessary operating cost to support technology in our District. It can not be done without the additional funding opportunities, such as E-Rate. The loss of this funding will drastically impact our District. Any assistance you could give us in this matter would be greatly appreciated.

I have included a copy of my letter and the attachments that I sent to the Schools and Libraries Division for your review. I am available if you have any questions or additional information is required.

Thank you for your time regarding this matter. Listed below you will find my contact information.

Sincerely,



Delma Juarez
Director of Information Technology
Franklin-McKinley School District
Office Number: 408-283-6092
Fax Number: 408-283-6066
Cellular Number: 408-472-6792
delma.juarez@fmsd.org

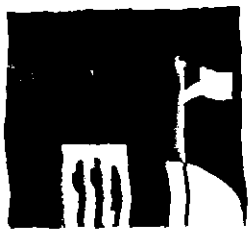
cc: **Zoe Lofgren, Congresswoman**
16th District California
635 North First Street, Suite B
San Jose, CA 95112

Mike Honda, Congressman
15th District California
1999 South Bascom Ave, Suite 815
Campbell, CA 95008

Dr. John R. Porter, Jr.
Superintendent
Franklin-McKinley School District

Tim McClary,
Assistant Superintendent of Business Services
Franklin-McKinley School District

Attachments (1)



Franklin-McKinley School District

Enriching young people's minds

Dr. John R. Porter, Jr.
Superintendent

645 Wool Creek Drive, San Jose, CA 95112
(408) 283-6000 Fax (408) 283-6022

May 10, 2007

Delma Juarez
Franklin-McKinley School District
Billing Entity Number: 144318
645 Wool Creek Drive
San Jose, CA 95112

Dear E-Rate Review Board:

Subject: Appeal to Form 471 Application Number 477732

The Franklin-McKinley School District, San Jose, CA, is respectfully submitting an appeal to your decision to adjust the funding commitment for Form 471 Application Number 477732, Applicant's Form Identifier 8-25262729. The FCC Registration Number is 0012890588.

I understand that the appeal should have been postmarked within 60 days of the date of the letter. However, due to unfortunate series of events, this did not happen. The first occurrences were two serious illnesses in my family which resulted in me being out of the office from late January and most of February. The second incident was a misfiling of the *Notification of Commitment Adjustment Letter*. Because the letter was on 'white' paper, not the 2005 identifying 'blue' paper, it was inadvertently placed inside the Form 471 Application 477732 folder.

On the morning of March 5, 2007, unaware that the funding commitment was removed from us, I requested a copy of the front and back FMSD warrant # 92807925, dated January 31, 2007 for the amount of \$480,522.02, paid to PWT-IT Solutions (Monterey Information Technology). That same morning, Bev Curry, our Accounts Payable clerk, requested the information from the Santa Clara County Office of Education - Attachment 1. On March 12, 2007, still unaware that the funding commitment was removed from us, I proceeded with completing the BEAR Form. It was sent FedEx to Ms. Smith, 3833 Greenway Drive, Lawrence, KS on March 14, 2007. Please note that this work was done within the 60 day window of the appeal process.

On April 10, I reviewed the *Form 472 (BEAR Form) Notification Letter* and I realized there was a problem with the BEAR form. My first thought was that I miss-calculated the reimbursement amount and would need to resubmit the form. However, I could not find my error. On April 27, 2007, I called the USAC support line (case # 21-586815) regarding the rejected BEAR Form. At that time, I was informed that the funding commitment had been rescinded and I should have received a letter stating so.

The Funding Commitment Adjustment Explanation states - Attachment 2:

After a thorough investigation, it has been determined that this funding commitment must be rescinded in full. During the course of review it was determined that the applicant did not have a contract in place at the time of submission of the Form 471. This determination was based on the documentation received from applicant indicating that they did not have a signed contract in place at the time of submission of the Form 471. FCC rules require applications to have a contract, signed (OR signed and dated - IF CONTRACT SIGNED AFTER 10/13/2004) by both parties, at the time they submit the Form 471. Since the applicant was unable to demonstrate that they had a signed contract in place at the time of submissions of the Form 471, the commitment has been rescinded in full.

Board of Education

Buu Thai • Dustin DeRollo • George Sanchez • John Lindner • Keith Nguyen

On February 17, 2006, the Form 471 Attachment 21 was sent to the SLD. The attachment consisted of the Bid Form and the document which broke-down the equipment and labor charges. The Bid Form is a formal document which requires a signature and states ".... hereby propose and agree to enter into a Contract, to furnish any and all labor, materials, applicable taxes..." - Attachment 3. On August 14, 2006, email dialog with Karen Hulmes regarding the request for a signed contract began. At that time, it was stated again that past practice has always been the use of the Bid Form and Instructions to Bidders and Statement of Work - Attachment 4, as our contract. Please note item, Form of Agreement Between Owner and Contractor on the attachment, page 7, clearly states that this is an agreement between both parties.

Due to the conversation regarding the contract with Karen Hulmes, I told her that I would establish a new contract with the service provider and FMSD. That contract was faxed to Karen on October 25, 2006 - Attachment 5.

During this time, the plan to move forward with the project continued. Not once did anyone say that the money could possibly be rescinded after it had already been approved. I had emailed and faxed documents to Karen Hulmes and made support calls to the SLD regarding this FRN. In addition, as stated in my email to Karen on December 8, 2006, I was not responsible for E-Rate when the 470 and 471 were completed. I took over E-Rate November 8, 2005. I am aware of the requirement of a signed contract by both parties and all new E-Rate projects have a signed contract by both parties in place. However, because past practice had always accepted the Bid Form and the Instructions to Bidders and Statement of Work as the contract, our former E-Rate coordinator believed that she was meeting the USAC requirements. To further validate that belief, she submitted the Bid Form as part of her Attachment 21 for the Form 471 on February 17, 2006.

For your review, I have attached a sequence of steps that occurred during this process - Attachment 6. Please note that questions regarding the contract did not start until one month after we received our Funding Commitment Decision letter. In addition, during the 17 months from the filing of the Form 471 to the Funding Commitment Decision Letter, we were never questioned by the Program Integrity Review team regarding the contract in question. In all the years that we have participated in the E-Rate program, I have never heard of anyone's funding being cancelled after it has been approved by USAC. It is my understanding that validation of requirements and processes occurs prior to approval. How would a district or library know if they should move forward with a project if there is a possibility of the funding being pulled back after receiving a Funding Commitment Decision Letter?

Franklin-McKinley School District has participated in the E-Rate program from the beginning - 1998/1999. It has played an important part in creating an infrastructure to support technology for our students and staff. We are very grateful for the opportunities it has brought to our District. As rules and regulations change during the years, we have done our best to comply with the new policies. Obviously, the change in requirements for contracts was missed on February 17, 2005, when the Form 471 was filed. We now have made sure we have a valid contract for our Bids.

The Franklin-McKinley School District works diligently towards funding the necessary expenses to support technology in our District. We truly believe its values in education. It can not be done without the additional funding opportunities such as E-Rate. The loss of this funding will drastically impact our District.

Franklin-McKinley has already been impacted by a loss of E-Rate funding in the 2005/2006 school year when a service provider, AMI, Electrical & Telecom Inc. (SPIN: 143009885) did not honor the BEAR Form rules and disappeared with \$465,770.75 of our money.

Even after I brought my concerns to USAC that the company, AMI, was not trustworthy, that they were not paying their subcontractors, and that I feared they would do the same to us, on USAC's advice we followed the reimbursement procedures of the BEAR Form. As I suspected, AMI, Electrical & Telecom, Inc. kept our money and disappeared. We lost \$465,770.75 by following the procedures.

I am respectfully requesting that you reconsider your decision to rescind the commitment. We firmly believe that we were working within the USAC guidelines; (1) USAC received the Bid Form on February 17, 2005 as part of the Form 471 Attachment 21 representing our formal contract; (2) a revised contract was sent to Karen Hulnes on October 25, 2006; (3) because we received funding commitment on July 12, 2006, the work was started and has been completed; and (4) the vendor has been paid.

Thank you for your time regarding this matter. I am available if additional information is required. Listed below you will find my contact information.

Sincerely,



Delma Juarez
Director of Information Technology
Franklin-McKinley School District
Office Number: 408-283-6092
Fax Number: 408-283-6066
Cellular Number: 408-472-6792
delma.juarez@fmsd.org

cc: **Zoe Lofgren, Congresswoman**
16th District California
635 North First Street, Suite B
San Jose, CA 95112

Mike Honda, Congressman
15th District California
1999 South Bascom Ave, Suite 815
Campbell, CA 95008

Tim McClary,
Assistant Superintendent of Business Services
Franklin-McKinley School District

Attachments (6)

Van Nguyen

From: Bev Gabler [bevgabler@fmsd.org]
Sent: Monday, March 05, 2007 11:13 AM
To: Van Nguyen
Subject: FW: request for copy of cancelled warrant #92807925



Hi Van,

Please e-mail me a copy front & back of our cancelled warrant #92807925 1/31/07 \$480,522.02 paid to PWT-IT SOLUTIONS (MONTEREY INFO. TECH)

Thanks!

Bev Curry

A/P

Business Services

Franklin McKinley School District

408 283-6026

408 283-6181 Fax

bevgabler@fmsd.org

Attachment 1

3/5/2007

COUNTY OF SANTA CLARA WARRANT
SANTA CLARA COUNTY OFFICE OF EDUCATION

1250 RIDDER PARK DRIVE, SAN JOSE, CA 95131
DISTRICT BUSINESS SERVICES
FUND 4760 SCHOOLS COMMERCIAL REVOLVING FUND

13 FRANKLIN-MC KINLEY

50-78
1211

Bank of the West
Walnut Creek, CA

WARRANT NUMBER 52807925

ISSUE DATE Jan 31 2007
VOID AFTER 180 DAYS FROM DATE OF ISSUE

PAY THIS
AMOUNT \$480,522.02

PAY EXACTLY

*****EIGHTY THOUSAND FIVE HUNDRED TWENTY TWO AND 02/100 DOLLARS

PAY TO
PWT-IT SOLUTIONS INC.
DBA MONTEREY INFORMATION TECH.
2600 GARDEN RD. BLDG. 410
MONTEREY CA 93940

EXAMINED, APPROVED AND ALLOWED BY

COUNTY SPT OF SCHOOLS

COUNTY CONTROLLER

⑈0092807925⑈ ⑆121100782⑆ 032002766⑈ 9450

⑈0048052202⑈

Account:32002766 Check#:52807925 Amount:5480,522.02 Sequence:70122710 Date:02/02/2007

0070122710 02/02/2007
13
110 021

MFR. NA-FREMYT 22012007
SF TR#1514PKT #009
71221-0527-8X
5714354253

707-546-5882

**Funding Commitment Adjustment Report for
Form 471 Application Number: 477732**

Funding Request Number:	1319283
Services Ordered:	INTERNAL CONNECTIONS
SPIN:	143020490
Service Provider Name:	Monterey Information Technologies
Contract Number:	
Billing Account Number:	
Site Identifier:	144318
Original Funding Commitment:	\$458,763.72
Commitment Adjustment Amount:	\$458,763.72
Adjusted Funding Commitment:	\$0.00
Funds Disbursed to Date:	\$0.00
Funds to be Recovered from Applicant:	\$0.00
Funding Commitment Adjustment Explanation:	

After a thorough investigation, it has been determined that this funding commitment must be rescinded in full. During the course of review it was determined that the applicant did not have a contract in place at the time of submission of the Form 471. This determination was based on the documentation received from applicant indicating that they did not have a signed contract in place at the time of submission of the Form 471. FCC rules require applicants to have a contract, signed (OR signed and dated-IF CONTRACT SIGNED AFTER 10/13/2004) by both parties, at the time they submit the Form 471. Since the applicant was unable to demonstrate that they had a signed contract in place at the time of submission of the Form 471, the commitment has been rescinded in full.

**PLEASE SEND A COPY OF THIS PAGE WITH YOUR
CHECK TO ENSURE TIMELY PROCESSING**

Attachment 2



Attachment 3

BID FORM

San Jose, California

Jan 6, 2005, 2004

FRANKLIN-MCKINLEY SCHOOL DISTRICT
645 Wool Creek Drive
San Jose, CALIFORNIA 95112

(3)

Dear Board Members:

The undersigned doing business under the firm name of:

Monterey Information Technologies
SPIN# 143020490

hereby propose and agree to enter into a Contract, to furnish any and all labor, materials, applicable taxes, equipment and services for the completion of Work described hereinafter and in the Contract Documents:

LAN Switches Upgrade

prepared by:

The Franklin-McKinley School District
645 Wool Creek Drive
San Jose, CA 95112

Base Bid Amount:

Five Hundred Forty Three Thousand and Eight
Hundred Sixty and 79/100
Dollars
(\$ 543,860.79)

If written notice of the Award of Contract is mailed, faxed, or delivered to the undersigned at any time before this bid is withdrawn, the undersigned shall, within ten (10) days after the date of such mailing, faxing, or delivering of such notice, execute and deliver an agreement in the form of agreement present in these Contract Documents in accordance with the specifications and bid as accepted.

The undersigned hereby designates as the office to which such Notice of Award of Contract may be mailed, telegraphed, or delivered:

2600 Garden Road, Bldg. 410, Monterey, CA 93940
Fax 831-646-4940



Name of Company as Licensed Monterey Information Technologies

Business Address 2600 Garden Rd. #410

Telephone Number Monterey CA 93040
831-646-4944

Contractor License No. 824584

Class and Expiration Date C-7 9/30/2005

State of Incorporation, if Applicable Colorado

() Evidence of authority to bind corporation is attached.

Dated: Jan. 2005, 2004

1 Signed [Signature]

Dated: Jan 5 2005, 2004

2 Signed Bub McG.

002599.WPD



Our Public Liability and Property Damage Insurance is placed with:

Hartford Casualty Insurance # 57 SBAAW 4505

Our Workers' Compensation Insurance is placed with:

Farmers in Surano # A19132 449

Circular letters, bulletins, addenda, etc., bound with the specifications or issued during the time of bidding are included in the bid, and, in completing the Contract, they are to become a part thereof.

The receipt of the following addenda to the specifications is acknowledged:

Addendum No. 1 Date 4/6/05 Addendum No. _____ Date _____

Addendum No. _____ Date _____ Addendum No. _____ Date _____

Addendum No. _____ Date _____ Addendum No. _____ Date _____

This bid may be withdrawn at any time prior to the scheduled time for the opening of bids or any authorized postponement thereof.

NOTE: Each bid must give the full business address of the bidder and be signed by bidder with bidder's usual signature. Bids by partnerships must furnish the full name of all partners and must be signed in the partnership name by a general partner with authority to bind the partnership in such matters, followed by the signature and designation of the person signing. The name of the person signing shall also be typed or printed below the signature. Bids by corporations must be signed with the legal name of the corporation, followed by the name of the state of incorporation and by the signature and designation of the chairman of the board, president or any vice president, and then followed by a second signature by the secretary, assistant secretary, the chief financial officer or assistant treasurer. All persons signing must be authorized to bind the corporation in the matter. The name of each person signing shall also be typed or printed below the signature. Satisfactory evidence of the authority of the officer signing on behalf of a corporation shall be furnished.

The undersigned declares under penalty of perjury under the laws of the State of California that the representations made in this bid are true and correct.

Print or Type Name

ARMAN EGHBALI

Title

General Manager

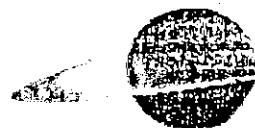
Cost Breakdown Summary by Site

Switches FY8

E-Rate Eligible

Site Name:	Subtotal - 1	Tax @ 0.0825	Shipping	Subtotal - 2	Labor	Total
Hellyer	\$ 43,618.21	\$ 3,598.50	\$ 180.00	\$ 47,396.71	\$ 7,200.00	\$ 54,596.71
Shirakawa	\$ 62,864.00	\$ 5,186.28	\$ 180.00	\$ 68,230.28	\$ 7,200.00	\$ 75,430.28
Meadows	\$ 47,290.90	\$ 3,901.50	\$ 180.00	\$ 51,372.40	\$ 7,200.00	\$ 58,572.40
Ramblewood	\$ 38,893.85	\$ 3,208.74	\$ 180.00	\$ 42,282.60	\$ 7,200.00	\$ 49,482.60
Sylvandale	\$ 81,753.92	\$ 6,744.70	\$ 250.00	\$ 88,748.62	\$ 8,000.00	\$ 96,748.62
Stonegate	\$ 51,416.98	\$ 4,241.90	\$ 180.00	\$ 55,838.88	\$ 7,200.00	\$ 63,038.88
Windmill	\$ 55,220.63	\$ 4,555.70	\$ 180.00	\$ 59,956.33	\$ 7,200.00	\$ 67,156.33
Fair	\$ 61,382.18	\$ 5,064.03	\$ 250.00	\$ 66,696.21	\$ 8,000.00	\$ 74,696.21
Totals	\$ 442,440.67	\$ 36,501.36	\$ 1,580.00	\$ 480,522.02	\$ 59,200.00	\$ 539,722.02

E-Rate Bid #FMSDE-025 - Switches
 Monterey Information Technologies
 2600 Garden Road, Bldg 410
 Monterey, CA 93940



Monterey
 Information
 Technologies

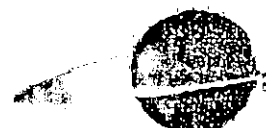
Technical Solution Detailed Cost Breakdown Forms * LAN Switches

Switches FY-8

Site Name: Hellyer - Eligible

Location	Part No.	Description	Qty	Unit Price	Extended Price
MDF	3C17709-3y	3Com Switch 4060	2	\$ 8,406.65	\$ 16,813.30
MDF	3C17715-3y	3Com XRN Interconnect Kit	1	\$ 4,706.58	\$ 4,706.58
MDF	3C17205-3y	3Com SuperStack 3 Switch 4400 PWR	1	\$ 1,681.49	\$ 1,681.49
MDF	3C17203-3y	3Com SuperStack 3 Switch 4400 24-Port	0	\$ 1,073.87	\$
MDF	3C17221-3y	3Com Switch 4400 1000BASE-SX Module	1	\$ 334.02	\$ 334.02
MDF	3C17220-3y	3Com SuperStack 3 1000Base-T Module	0	\$ 66.57	\$
MDF	3C17227-3y	3Com Switch 4400 Stacking Kit	0	\$ 67.35	\$
MDF	3C17228-3y	3Com Switch 4400 Extender Kit	0	\$ 98.32	\$
MDF	NCMHF2	Panduit Cable Manager 2U	6	\$ 52.90	\$ 317.41
MDF	WMPV45	Panduit Vertical StandardSlotted Duct	2	\$ 199.20	\$ 398.40
MDF	TBA	Cat5e Patch Cable (various lengths)	26	\$ 5.25	\$ 136.50
MDF	TBA	Fiberoptic Patch Cable (various lengths)	11	\$ 54.60	\$ 600.60
MDF	TBA	Miscellaneous, i.e. Velcro and Labels	1	\$ 0.90	\$ 0.90
IDF's	3C17205-3y	3Com SuperStack 3 Switch 4400 PWR	6	\$ 1,681.49	\$ 10,088.93
IDF's	3C17203-3y	3Com SuperStack 3 Switch 4400 24-Port	3	\$ 1,073.87	\$ 3,221.62
IDF's	3C17221-3y	3Com Switch 4400 1000BASE-SX Module	8	\$ 334.02	\$ 2,672.16
IDF's	3C17220-3y	3Com SuperStack 3 1000Base-T Module	1	\$ 66.57	\$ 66.57
IDF's	3C17227-3y	3Com Switch 4400 Stacking Kit	3	\$ 67.35	\$ 202.04
IDF's	3C17228-3y	3Com Switch 4400 Extender Kit	0	\$ 98.32	\$
IDF's	NCMHF2	Panduit Cable Manager 2U	15	\$ 52.90	\$ 793.53
IDF's	WMPV45	Panduit Vertical StandardSlotted Duct	0	\$ 199.20	\$
IDF's	TBA	Cat5e Patch Cable (various lengths)	217	\$ 5.25	\$ 1,139.25
IDF's	TBA	Fiberoptic Patch Cable (various lengths)	8	\$ 54.60	\$ 436.80
IDF's	TBA	Miscellaneous, i.e. Velcro and Labels	9	\$ 0.90	\$ 8.10
Subtotal - 1				\$	43,618.21
Tax				\$	3,598.50
Shipping				\$	180.00
Subtotal - 2				\$	47,396.71
Labor				\$	7,200.00
Total				\$	54,596.71

E-Proc Bid #FMSD8-025 - Switches
Monterey Information Technologies
2600 Garden Road, Bldg 410
Monterey, CA 93940



Monterey
Information
Technologies

Technical Solution Detailed Cost Breakdown Forms * LAN Switches

Switches FY-8

Site Name: Shirakawa - Eligible

Location	Part No.	Description	Qty	Unit Price	Extended Price
MDF	3C17709-3y	3Com Switch 4060	2	\$ 8,406.65	\$ 16,813.30
MDF	3C17715-3y	3Com XRN Interconnect Kit	1	\$ 4,706.58	\$ 4,706.58
MDF	3C17205-3y	3Com SuperStack 3 Switch 4400 PWR	2	\$ 1,681.49	\$ 3,362.98
MDF	3C17203-3y	3Com SuperStack 3 Switch 4400 24-Port	4	\$ 1,073.87	\$ 4,295.49
MDF	3C17221-3y	3Com Switch 4400 1000BASE-SX Module	2	\$ 334.02	\$ 668.04
MDF	3C17220-3y	3Com SuperStack 3 1000Base-T Module	0	\$ 66.57	\$ -
MDF	3C17227-3y	3Com Switch 4400 Stacking Kit	1	\$ 67.35	\$ 67.35
MDF	3C17228-3y	3Com Switch 4400 Extender Kit	4	\$ 98.32	\$ 393.28
MDF	NCMHF2	Panduit Cable Manager 2U	8	\$ 52.90	\$ 423.22
MDF	WMPV45	Panduit Vertical StandardSlotted Duct	2	\$ 199.20	\$ 398.40
MDF	TBA	Cat5e Patch Cable (various lengths)	144	\$ 5.25	\$ 756.00
MDF	TBA	Fiber optic Patch Cable (various lengths)	12	\$ 54.60	\$ 655.20
MDF	TBA	Miscellaneous, i.e. Velcro and Labels	6	\$ 0.90	\$ 5.40
IDF's	3C17205-3y	3Com SuperStack 3 Switch 4400 PWR	5	\$ 1,681.49	\$ 8,407.44
IDF's	3C17203-3y	3Com SuperStack 3 Switch 4400 24-Port	12	\$ 1,073.87	\$ 12,886.46
IDF's	3C17221-3y	3Com Switch 4400 1000BASE-SX Module	9	\$ 334.02	\$ 3,006.18
IDF's	3C17220-3y	3Com SuperStack 3 1000Base-T Module	0	\$ 66.57	\$ -
IDF's	3C17227-3y	3Com Switch 4400 Stacking Kit	4	\$ 67.35	\$ 269.39
IDF's	3C17228-3y	3Com Switch 4400 Extender Kit	10	\$ 98.32	\$ 983.16
IDF's	NCMHF2	Panduit Cable Manager 2U	21	\$ 52.90	\$ 1,110.94
IDF's	WMPV45	Panduit Vertical StandardSlotted Duct	5	\$ 199.20	\$ 996.00
IDF's	TBA	Cat6e Patch Cable (various lengths)	410	\$ 5.25	\$ 2,152.50
IDF's	TBA	Fiber optic Patch Cable (various lengths)	9	\$ 54.60	\$ 491.40
IDF's	TBA	Miscellaneous, i.e. Velcro and Labels	17	\$ 0.90	\$ 15.30
Subtotal - 1				\$	62,864.00
Tax				\$	5,186.28
Shipping				\$	180.00
Subtotal - 2				\$	68,230.28
Labor				\$	7,200.00
Total				\$	75,430.28

L-Rate Bid #HMSD8-025 - Switches
Monterey Information Technologies
2600 Garden Road, Bldg 410
Monterey, CA 93940



Monterey
Information
Technologies

Technical Solution Detailed Cost Breakdown Forms * LAN Switches

Switches FY-8

Site Name: Meadows - Eligible

Location	Part No.	Description	Qty	Unit Price	Extended Price
MDF	3C17709-3y	3Com Switch 4060	2	\$ 8,406.65	\$ 16,813.30
MDF	3C17715-3y	3Com XRN Interconnect Kit	1	\$ 4,706.58	\$ 4,706.58
MDF	3C17205-3y	3Com SuperStack 3 Switch 4400 PWR	2	\$ 1,681.49	\$ 3,362.98
MDF	3C17203-3y	3Com SuperStack 3 Switch 4400 24-Port	0	\$ 1,073.87	\$
MDF	3C17221-3y	3Com Switch 4400 1000BASE-SX Module	2	\$ 334.02	\$ 668.04
MDF	3C17220-3y	3Com SuperStack 3 1000Base-T Module	0	\$ 66.57	\$
MDF	3C17227-3y	3Com Switch 4400 Stacking Kit	1	\$ 67.35	\$ 67.35
MDF	3C17227-3y	3Com Switch 4400 Extender Kit	0	\$ 98.32	\$
MDF	3C17228-3y	3Com Switch 4400 Extender Kit	6	\$ 52.90	\$ 317.41
MDF	NCMHF2	Panduit Cable Manager 2U	2	\$ 199.20	\$ 398.40
MDF	WMPV45	Panduit Vertical StandardSlotted Duct	50	\$ 5.25	\$ 262.50
MDF	TBA	Cat5e Patch Cable (various lengths)	10	\$ 54.60	\$ 546.00
MDF	TBA	Fiberoptic Patch Cable (various lengths)	2	\$ 0.90	\$ 1.80
MDF	TBA	Miscellaneous, i.e. Velcro and Labels			
IDF's	3C17205-3y	3Com SuperStack 3 Switch 4400 PWR	4	\$ 1,681.49	\$ 6,725.95
IDF's	3C17203-3y	3Com SuperStack 3 Switch 4400 24-Port	7	\$ 1,073.87	\$ 7,517.10
IDF's	3C17221-3y	3Com Switch 4400 1000BASE-SX Module	7	\$ 334.02	\$ 2,338.14
IDF's	3C17221-3y	3Com Switch 4400 1000BASE-SX Module	0	\$ 66.57	\$
IDF's	3C17220-3y	3Com SuperStack 3 1000Base-T Module	3	\$ 67.35	\$ 202.04
IDF's	3C17227-3y	3Com Switch 4400 Stacking Kit	4	\$ 98.32	\$ 393.26
IDF's	3C17228-3y	3Com Switch 4400 Extender Kit	15	\$ 52.90	\$ 793.53
IDF's	NCMHF2	Panduit Cable Manager 2U	2	\$ 199.20	\$ 398.40
IDF's	WMPV45	Panduit Vertical StandardSlotted Duct	264	\$ 5.25	\$ 1,386.00
IDF's	TBA	Cat5e Patch Cable (various lengths)	7	\$ 54.60	\$ 382.20
IDF's	TBA	Fiberoptic Patch Cable (various lengths)	11	\$ 0.90	\$ 9.90
IDF's	TBA	Miscellaneous, i.e. Velcro and Labels			
Subtotal - 1				\$	47,290.90
Tax				\$	3,901.50
Shipping				\$	180.00
Subtotal - 2				\$	51,372.40
Labor				\$	7,200.00
Total				\$	58,572.40

E-Rate Eid #FMSDE-021 - Switches
Monterey Information Technologies
2600 Garden Road, Bldg 410
Monterey, CA 93940



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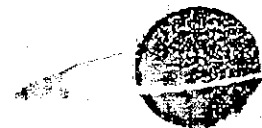
Technical Solution Detailed Cost Breakdown Forms * LAN Switches

Switches FY-8

Site Name: Ramblewood - Eligible

Location	Part No.	Description	Qty	Unit Price	Extended Price
MDF	3C17709-3y	3Com Switch 4060	2	\$ 8,406.65	\$ 16,813.30
MDF	3C17715-3y	3Com XRN Interconnect Kit	1	\$ 4,706.58	\$ 4,706.58
MDF	3C17205-3y	3Com SuperStack 3 Switch 4400 PWR	2	\$ 1,681.49	\$ 3,362.98
MDF	3C17203-3y	3Com SuperStack 3 Switch 4400 24-Port	7	\$ 1,073.87	\$ 7,517.10
MDF	3C17221-3y	3Com Switch 4400 1000BASE-SX Module	4	\$ 334.02	\$ 1,336.08
MDF	3C17220-3y	3Com SuperStack 3 1000Base-T Module	0	\$ 66.57	\$ -
MDF	3C17227-3y	3Com Switch 4400 Stacking Kit	2	\$ 67.35	\$ 134.70
MDF	3C17228-3y	3Com Switch 4400 Extender Kit	5	\$ 98.32	\$ 491.58
MDF	NCMHF2	Panduit Cable Manager 2U	10	\$ 52.90	\$ 529.02
MDF	WMPV45	Panduit Vertical StandardSlotted Duct	2	\$ 199.20	\$ 398.40
MDF	TBA	Cat5e Patch Cable (various lengths)	194	\$ 5.25	\$ 1,018.50
MDF	TBA	Fiber optic Patch Cable (various lengths)	6	\$ 54.60	\$ 327.60
MDF	TBA	Miscellaneous, i.e. Velcro and Labels	9	\$ 0.90	\$ 8.10
IDF's	3C17205-3y	3Com SuperStack 3 Switch 4400 PWR	1	\$ 1,681.49	\$ 1,681.49
IDF's	3C17203-3y	3Com SuperStack 3 Switch 4400 24-Port	0	\$ 1,073.87	\$ -
IDF's	3C17221-3y	3Com Switch 4400 1000BASE-SX Module	1	\$ 334.02	\$ 334.02
IDF's	3C17220-3y	3Com SuperStack 3 1000Base-T Module	0	\$ 66.57	\$ -
IDF's	3C17227-3y	3Com Switch 4400 Stacking Kit	0	\$ 67.35	\$ -
IDF's	3C17228-3y	3Com Switch 4400 Extender Kit	0	\$ 98.32	\$ -
IDF's	NCMHF2	Panduit Cable Manager 2U	1	\$ 52.90	\$ 52.90
IDF's	WMPV45	Panduit Vertical StandardSlotted Duct	0	\$ 199.20	\$ -
IDF's	TBA	Cat5e Patch Cable (various lengths)	24	\$ 5.25	\$ 126.00
IDF's	TBA	Fiber optic Patch Cable (various lengths)	1	\$ 54.60	\$ 54.60
IDF's	TBA	Miscellaneous, i.e. Velcro and Labels	1	\$ 0.90	\$ 0.90
Subtotal - 1				\$	38,893.85
Tax				\$	3,208.74
Shipping				\$	180.00
Subtotal - 2				\$	42,282.60
Labor				\$	7,200.00
Total				\$	49,482.60

F-Rate Eid #FMSDE-025 - Switches
Monterey Information Technologies
2600 Garden Road, Elc 410
Monterey, CA 93940



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Technical Solution Detailed Cost Breakdown Forms * LAN Switches

Switches FY-8

Site Name: Sylvandale - Eligible

Location	Part No.	Description	Qty	Unit Price	Extended Price
MDF	3C17709-3y	3Com Switch 4060	2	\$ 8,406.65	\$ 16,813.30
MDF	3C17715-3y	3Com XRN Interconnect Kit	1	\$ 4,706.58	\$ 4,706.58
MDF	3C17205-3y	3Com SuperStack 3 Switch 4400 PWR	2	\$ 1,681.49	\$ 3,362.98
MDF	3C17203-3y	3Com SuperStack 3 Switch 4400 24-Port	10	\$ 1,073.87	\$ 10,738.72
MDF	3C17221-3y	3Com Switch 4400 1000BASE-SX Module	4	\$ 334.02	\$ 1,336.08
MDF	3C17220-3y	3Com SuperStack 3 1000Base-T Module	0	\$ 66.57	\$ -
MDF	3C17227-3y	3Com Switch 4400 Stacking Kit	2	\$ 67.35	\$ 134.70
MDF	3C17228-3y	3Com Switch 4400 Extender Kit	8	\$ 98.32	\$ 786.53
MDF	NCMHF2	Panduit Cable Manager 2U	14	\$ 52.90	\$ 740.63
MDF	WMPV45	Panduit Vertical Standard Slotted Duct	2	\$ 199.20	\$ 398.40
MDF	TBA	Cat5e Patch Cable (various lengths)	284	\$ 5.25	\$ 1,491.00
MDF	TBA	Fiberoptic Patch Cable (various lengths)	20	\$ 54.60	\$ 1,092.00
MDF	TBA	Miscellaneous, i.e. Velcro and Labels	12	\$ 0.90	\$ 10.80
IDF's	3C17205-3y	3Com SuperStack 3 Switch 4400 PWR	8	\$ 1,681.49	\$ 13,451.90
IDF's	3C17203-3y	3Com SuperStack 3 Switch 4400 24-Port	14	\$ 1,073.87	\$ 15,034.21
IDF's	3C17221-3y	3Com Switch 4400 1000BASE-SX Module	14	\$ 334.02	\$ 4,676.28
IDF's	3C17220-3y	3Com SuperStack 3 1000Base-T Module	2	\$ 66.57	\$ 133.14
IDF's	3C17227-3y	3Com Switch 4400 Stacking Kit	6	\$ 67.35	\$ 404.08
IDF's	3C17228-3y	3Com Switch 4400 Extender Kit	8	\$ 98.32	\$ 786.53
IDF's	NCMHF2	Panduit Cable Manager 2U	28	\$ 52.90	\$ 1,481.26
IDF's	WMPV45	Panduit Vertical Standard Slotted Duct	3	\$ 199.20	\$ 597.60
IDF's	TBA	Cat5e Patch Cable (various lengths)	532	\$ 5.25	\$ 2,793.00
IDF's	TBA	Fiberoptic Patch Cable (various lengths)	14	\$ 54.60	\$ 764.40
IDF's	TBA	Miscellaneous, i.e. Velcro and Labels	22	\$ 0.90	\$ 19.80
Subtotal - 1				\$	81,753.92
Tax				\$	6,744.70
Shipping				\$	250.00
Subtotal - 2				\$	88,748.62
Labor				\$	8,000.00
Total				\$	96,748.62

E-Rate Eid #FMSDE-025 - Switches
Monterey Information Technologies
2600 Garden Road, Bldg 410
Monterey, CA 93940



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Technical Solution Detailed Cost Breakdown Forms * LAN Switches

Switches FY-8

Site Name: Stonegate - Eligible

Location	Part No.	Description	Qty	Unit Price	Extended Price
MDF	3C17709-3y	3Com Switch 4060	2	\$ 8,406.65	\$ 16,813.30
MDF	3C17715-3y	3Com XRN Interconnect Kit	1	\$ 4,706.58	\$ 4,706.58
MDF	3C17205-3y	3Com SuperStack 3 Switch 4400 PWR	2	\$ 1,681.49	\$ 3,362.98
MDF	3C17203-3y	3Com SuperStack 3 Switch 4400 24-Port	4	\$ 1,073.87	\$ 4,295.49
MDF	3C17221-3y	3Com Switch 4400 1000BASE-SX Module	2	\$ 334.02	\$ 668.04
MDF	3C17220-3y	3Com SuperStack 3 1000Base-T Module	0	\$ 66.57	\$
MDF	3C17227-3y	3Com Switch 4400 Stacking Kit	1	\$ 67.35	\$ 67.35
MDF	3C17228-3y	3Com Switch 4400 Extender Kit	4	\$ 98.32	\$ 393.28
MDF	NCMHF2	Panduit Cable Manager 2U	8	\$ 52.90	\$ 423.22
MDF	WMPV45	Panduit Vertical StandardSlotted Duct	2	\$ 199.20	\$ 398.40
MDF	TBA	Cat5e Patch Cable (various lengths)	144	\$ 5.25	\$ 756.00
MDF	TBA	Fiberoptic Patch Cable (various lengths)	8	\$ 54.60	\$ 436.80
MDF	TBA	Miscellaneous, i.e. Velcro and Labels	6	\$ 0.90	\$ 5.40
IDF's	3C17205-3y	3Com SuperStack 3 Switch 4400 PWR	3	\$ 1,681.49	\$ 5,044.46
IDF's	3C17203-3y	3Com SuperStack 3 Switch 4400 24-Port	8	\$ 1,073.87	\$ 8,590.98
IDF's	3C17221-3y	3Com Switch 4400 1000BASE-SX Module	5	\$ 334.02	\$ 1,670.10
IDF's	3C17220-3y	3Com SuperStack 3 1000Base-T Module	0	\$ 66.57	\$
IDF's	3C17227-3y	3Com Switch 4400 Stacking Kit	2	\$ 67.35	\$ 134.70
IDF's	3C17228-3y	3Com Switch 4400 Extender Kit	6	\$ 98.32	\$ 589.90
IDF's	NCMHF2	Panduit Cable Manager 2U	15	\$ 52.90	\$ 793.53
IDF's	WMPV45	Panduit Vertical StandardSlotted Duct	3	\$ 199.20	\$ 597.60
IDF's	TBA	Cat5e Patch Cable (various lengths)	264	\$ 5.25	\$ 1,386.00
IDF's	TBA	Fiberoptic Patch Cable (various lengths)	5	\$ 54.60	\$ 273.00
IDF's	TBA	Miscellaneous, i.e. Velcro and Labels	11	\$ 0.90	\$ 9.90
Subtotal - 1				\$	51,416.98
Tax				\$	4,241.90
Shipping				\$	180.00
Subtotal - 2				\$	55,838.88
Labor				\$	7,200.00
Total				\$	63,038.88

E-File #FMSD8-025 - Switches
Monterey Information Technologies
2600 Garden Road, Bldg 410
Monterey, CA 93940



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Technical Solution Detailed Cost Breakdown Forms * LAN Switches

Switches FY-8

Site Name: Windmill - Eligible

Location	Part No.	Description	Qty	Unit Price	Extended Price
MDF	3C17709-3y	3Com Switch 4060	2	\$ 8,406.65	\$ 16,813.30
MDF	3C17715-3y	3Com XRN Interconnect Kit	1	\$ 4,706.58	\$ 4,706.58
MDF	3C17205-3y	3Com SuperStack 3 Switch 4400 PWR	2	\$ 1,681.49	\$ 3,362.98
MDF	3C17203-3y	3Com SuperStack 3 Switch 4400 24-Port	0	\$ 1,073.87	\$ -
MDF	3C17221-3y	3Com Switch 4400 1000BASE-SX Module	2	\$ 334.02	\$ 668.04
MDF	3C17220-3y	3Com SuperStack 3 1000Base-T Module	0	\$ 66.57	\$ -
MDF	3C17227-3y	3Com Switch 4400 Stacking Kit	1	\$ 67.35	\$ 67.35
MDF	3C17228-3y	3Com Switch 4400 Extender Kit	0	\$ 98.32	\$ -
MDF	NCMHF2	Panduit Cable Manager 2U	6	\$ 52.90	\$ 317.41
MDF	WMPV45	Panduit Vertical StandardSlotted Duct	2	\$ 199.20	\$ 398.40
MDF	TBA	Cat5e Patch Cable (various lengths)	36	\$ 5.25	\$ 189.00
MDF	TBA	Fiberoptic Patch Cable (various lengths)	8	\$ 54.60	\$ 436.80
MDF	TBA	Miscellaneous, i.e. Velcro and Labels	2	\$ 0.90	\$ 1.80
IDF's	3C17205-3y	3Com SuperStack 3 Switch 4400 PWR	6	\$ 1,681.49	\$ 10,088.93
IDF's	3C17203-3y	3Com SuperStack 3 Switch 4400 24-Port	9	\$ 1,073.87	\$ 9,664.85
IDF's	3C17221-3y	3Com Switch 4400 1000BASE-SX Module	9	\$ 334.02	\$ 3,006.18
IDF's	3C17220-3y	3Com SuperStack 3 1000Base-T Module	0	\$ 66.57	\$ -
IDF's	3C17227-3y	3Com Switch 4400 Stacking Kit	3	\$ 67.35	\$ 202.04
IDF's	3C17228-3y	3Com Switch 4400 Extender Kit	8	\$ 98.32	\$ 786.53
IDF's	NCMHF2	Panduit Cable Manager 2U	17	\$ 52.90	\$ 899.33
IDF's	WMPV45	Panduit Vertical StandardSlotted Duct	6	\$ 199.20	\$ 1,195.20
IDF's	TBA	Cat5e Patch Cable (various lengths)	364	\$ 5.25	\$ 1,911.00
IDF's	TBA	Fiberoptic Patch Cable (various lengths)	9	\$ 54.60	\$ 491.40
IDF's	TBA	Miscellaneous, i.e. Velcro and Labels	15	\$ 0.90	\$ 13.50
Subtotal - 1				\$	55,220.63
Tax				\$	4,555.70
Shipping				\$	180.00
Subtotal - 2				\$	59,956.33
Labor				\$	7,200.00
Total				\$	67,156.33

E-Rate Eid #FMSD8-025 - Switches
Monterey Information Technologies
2600 Garden Road, Bldg 410
Monterey, CA 93940



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Technical Solution Detailed Cost Breakdown Forms * LAN Switches

Switches FY-8

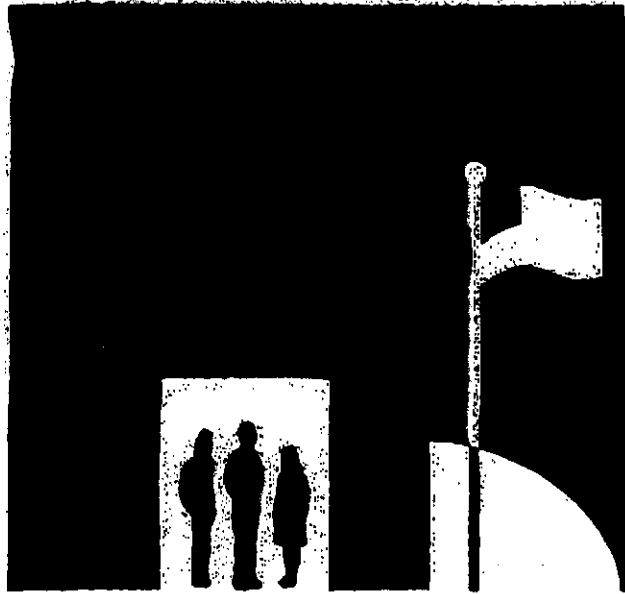
Site Name: Fair - Eligible

Location	Part No.	Description	Qty	Unit Price	Extended Price
MDF	3C17709-3y	3Com Switch 4060	2	\$ 8,406.65	\$ 16,813.30
MDF	3C17715-3y	3Com XRN Interconnect Kit	1	\$ 4,706.58	\$ 4,706.58
MDF	3C17205-3y	3Com SuperStack 3 Switch 4400 PWR	1	\$ 1,681.49	\$ 1,681.49
MDF	3C17203-3y	3Com SuperStack 3 Switch 4400 24-Port	0	\$ 1,073.87	\$ -
MDF	3C17221-3y	3Com Switch 4400 1000BASE-SX Module	1	\$ 334.02	\$ 334.02
MDF	3C17220-3y	3Com SuperStack 3 1000Base-T Module	0	\$ 66.57	\$ -
MDF	3C17227-3y	3Com Switch 4400 Stacking Kit	0	\$ 67.35	\$ -
MDF	3C17228-3y	3Com Switch 4400 Extender Kit	0	\$ 98.32	\$ -
MDF	NCMHF2	Panduit Cable Manager 2U	6	\$ 52.90	\$ 317.41
MDF	WMPV45	Panduit Vertical StandardSlotted Duct	2	\$ 199.20	\$ 398.40
MDF	TBA	Cat5e Patch Cable (various lengths)	26	\$ 5.25	\$ 136.50
MDF	TBA	Fiberoptic Patch Cable (various lengths)	9	\$ 54.60	\$ 491.40
MDF	TBA	Miscellaneous, i.e. Velcro and Labels	1	\$ 0.90	\$ 0.90
IDF's	3C17205-3y	3Com SuperStack 3 Switch 4400 PWR	7	\$ 1,681.49	\$ 11,770.42
IDF's	3C17203-3y	3Com SuperStack 3 Switch 4400 24-Port	14	\$ 1,073.87	\$ 15,034.21
IDF's	3C17221-3y	3Com Switch 4400 1000BASE-SX Module	8	\$ 334.02	\$ 2,672.16
IDF's	3C17220-3y	3Com SuperStack 3 1000Base-T Module	4	\$ 66.57	\$ 266.28
IDF's	3C17227-3y	3Com Switch 4400 Stacking Kit	4	\$ 67.35	\$ 269.39
IDF's	3C17228-3y	3Com Switch 4400 Extender Kit	10	\$ 98.32	\$ 983.16
IDF's	NCMHF2	Panduit Cable Manager 2U	30	\$ 52.90	\$ 1,587.06
IDF's	WMPV45	Panduit Vertical StandardSlotted Duct	4	\$ 199.20	\$ 796.80
IDF's	TBA	Cat5e Patch Cable (various lengths)	508	\$ 5.25	\$ 2,667.00
IDF's	TBA	Fiberoptic Patch Cable (various lengths)	8	\$ 54.60	\$ 436.80
IDF's	TBA	Miscellaneous, i.e. Velcro and Labels	21	\$ 0.90	\$ 18.90
				Subtotal - 1	\$ 61,382.18
				Tax	\$ 5,064.03
				Shipping	\$ 250.00
				Subtotal - 2	\$ 66,696.21
				Labor	\$ 8,000.00
				Total	\$ 74,696.21

E-Rate Eid #FMSD8-025 - Switches
Monterey Information Technologies
2600 Garden Road, Bldg 410
Monterey, CA 93940



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**INSTRUCTIONS TO BIDDERS AND
STATEMENT OF WORK**

For

LAN Switches Upgrade Project

E-Rate Bid # FMSD8-025

**IN THE
FRANKLIN-MCKINLEY SCHOOL DISTRICT**

December 2, 2004

Attachment 4



10. **THIS CONTRACT IS NOT SUBJECT TO THE DVBE REQUIREMENTS OF EDUCATION CODE SECTION 17076.11.**

Withdrawal of Bids

Bids may be withdrawn by bidders prior to the time fixed for the submittal of bids. A successful bidder shall not be relieved of the bid unless by consent of the Owner or bidder's recourse to Public Contract Code §5100 et seq.

Opening of Bids

Opening of bids shall be as soon after the hour set as will be possible; opening and declaration to be as set forth in the Notice to Bidders. Any and all bidders will be permitted to attend.

Examination of Contract Documents and Site

Before submitting a bid, bidders shall examine the drawings, read the specifications, the form of Agreement between Contractor and Owner, and the other Contract Documents. Bidders shall visit the site of the proposed work; examine the building, or buildings, if any, and any work that may have been done thereon. Bidders shall fully inform themselves of all conditions, in, at, and about the site, the building, or buildings, if any, and any work that may have been done thereon.

Pursuant to Public Contract Code section 1104: 1) bidders shall not be required to assume responsibility for the completeness and accuracy of architectural or engineering plans and specifications, except on clearly designated design build projects; 2) however, bidders shall be required to review architectural or engineering plans and specifications prior to submission of their bids and to report any errors and omissions to the Owner; and 3) the review shall be confined to the bidder's capacity as a bidder and not as a licensed design professional.

Form of Agreement Between Owner and Contractor

Contingent upon award of funds by the Schools & Library Division and then after award by the Board of Education a purchase order will be issued.

Addenda or Bulletins

Any addenda or bulletins, issued during the time of bidding, shall form a part of the drawings and specifications loaned to the bidder for the preparation of its bid, shall be covered in the bid, and shall be made a part of the Contract Documents.

Evidence of Responsibility

Upon the request of Owner, a bidder shall submit promptly to the Owner or its designee satisfactory evidence showing the bidder's financial resources, the bidder's experience in the type of work required by the Owner, the bidder's organization available for the performance of the Contract, and any other required evidence of the bidder's or its subcontractor's qualifications to perform the proposed Contract. The Owner may consider such evidence before making its decision awarding the

**CONTRACT FOR THE SALE OF
Franklin-McKinley School District
E-Rate Bid # FMSD8-025,
LAN Switches Upgrade Project**

Article 1 - Agreement to Contract Terms

PWT IT Solutions, Inc. (PWT-IT) dba Monterey Information Technologies, hereinafter referred to as Seller, and Franklin-McKinley School District (FMSD), hereinafter referred to as Buyer, hereby agree on this 23rd day of October, in the year 2006, to the following terms.

Article 2 - Identity of Parties

Seller, whose business address is 2600 Garden Road, Bldg 410, Monterey, CA 93940 is in the business of providing systems and networking services to school districts since 1995. Buyer, whose business address is 645 Wool Creek Road, San Jose, CA 95112, is in the business of providing an excellent personalized education producing socially responsible students prepared for their futures as lifelong learners, where schools serve the community through active partnerships, linking advanced technology with progressive teaching and learning techniques.

Article 3 - Purpose & Description

PWT IT Solutions, Inc. (PWT-IT), SPIN:1430020490, is pleased to have the opportunity to implement Franklin-McKinley School District E-Rate Bid # FMSD8-025, LAN Switches Upgrade Project. PWT-IT was awarded this bid on under FORM 471:4777

This project will increase FMSD's network's connectivity, re
upgraded LAN Switches will provide increased speed and perfor..... The
to allow staff, faculty and students to have enhanced network functionality. The upgraded
equipment, serviced under warranty, will also reduce maintenance costs for the district. This
project will also provide larger scale opportunities for FMSD's network growth and overall
functionalities. PWT-IT will work with FMSD IT Department to coordinate the Implementation
project plan and schedule.

Article 4 - Buyer's Rights & Obligations

Buyer agrees to accept the project products and services and pay for them according to the terms further set out below.

Buyer agrees to pay for the products & services in total amount of **\$539,722.02**:

☐ In installments, as billed by Seller for the following:

Payment of 100% of product total, **\$480,522.02** when complete product deliveries have been made and invoiced.

Payment of 100% of the labor, **\$59,200.00**, when the project completion is signed off and has been invoiced.

All monies to be invoiced under this contract shall be due upon receipt. Invoices not disputed within thirty (30) days of mailing shall be deemed accepted and enforceable.

Products & Services are deemed received by Buyer upon delivery to Buyer's address as set forth above.

Attachment 5

Article 5 - E-Rate Compliance

FMSD received a Funding Commitment Decision Letter from the Schools and Libraries Program of the Universal Service Fund for FRN#1319283 in amount of \$539,722.02 of the total E-Rate Project Cost. This program makes discounts available to eligible schools and libraries for telecommunication services, Internet access, and internal connections. The program is intended to ensure that schools and libraries have access to affordable telecommunications and information services.

This award goes towards E-Rate eligible products and services only. In the documents following, please refer to the list of Products and Services pertaining to the amount awarded from the SLD for FRN#1319283. This amount will be invoiced to and paid in full by FMSD to the Service Provider (PWT-IT) as part of the total project.

FMSD will file Form 486. FMSD will obtain reimbursement from USAC for the eligible services which are approved for discounts by filing the Billed Entity Applicant Reimbursement (BEAR) Form (Form 472). Form 472 informs USAC of the amount of the discounts for which FMSD has already paid and for which FMSD seeks reimbursement from its service provider. PWT-IT will expediently complete their portion on these forms to facilitate reimbursement to FMSD.

Article 6 - Inspection and Acceptance

Buyer has the right to examine the products upon receipt and has 30 days in which to notify seller of any claim for damages based on the condition, grade, quality or quantity of the products. Such notice must specify in detail the particulars of the claim.

Payment for Products and Services shall not constitute acceptance thereof. Buyer shall have the right to inspect such Products and Services and to reject any or all of such Products and Services which are in Buyer's judgment defective or non-conforming. Products and Services rejected and products supplied in excess of quantities called for herein may be returned to Seller at Seller's expense. In the event Buyer receives Products with defects or non-conformity, regardless of appearance upon initial examination, Buyer reserves the right to require replacement, as well as payment for damages. Nothing contained in this Order shall relieve Seller from the obligation of testing, inspecting, and quality control. Title to Products or Services will shift to Buyer on Buyer's unconditional acceptance or use thereof. Buyer's count will be accepted as final and conclusive on shipments not accompanied by Seller's itemized packaging list.

Article 7 - Risk of Loss

Seller shall bear all risk of loss or damage in connection with Products or Services until Buyer has unconditionally accepted Products or Services in accordance with the terms hereof, provided Seller shall continue to bear such risks for any Products or Services for which Buyer has revoked its acceptance hereunder.

Article 8 - Warranty of Performance

Seller warrants that its service will be of professional quality conforming to generally accepted practices. Generally accepted practices shall include, but not limited to, PWT-IT's general professional workmanship, like cable terminated properly, backboards secured tightly, cables routed neatly, etc. This does not include manufacturer warranty or configuration related work.

Seller makes no other warranties, written, oral or implied, including without limitation any implied warranties of merchantability or fitness for a specific purpose.

Seller is not responsible for any malfunction or problem caused by installing the recommended manufacturer updates. Seller's Engineers are trained and certified to implement and maintain manufacturer recommended process and/or industry standard procedures to maintain and upgrade the systems.

Seller is also not responsible for changes made to the configuration of the system by anyone other than Seller Engineering staff.

Any services performed by PWT-IT which are determined by FMDS to be of less than professional quality and which after investigation by PWT-IT are acknowledged by PWT-IT to be of less than professional quality shall be corrected by PWT-IT without charge to FMDS. Any correction of less than professional quality services under this warranty shall be performed by PWT-IT under the original specifications and without modification of said specifications.

Seller warrants that the Products are free from any and all security interests, liens, and encumbrances.

Article 9 - Indemnity

Each party agrees to protect, indemnify, defend and hold the other party, its subsidiaries, affiliated entities, officers, directors, and employees harmless from any and all loss, damage, liability, cost and expense (including reasonable attorney's fees) (i) arising out of or in any way connected with any and all claims and actions (whether meritorious or not) asserted with respect to any death, sickness or injury to persons (including, without limitation, any employee of either party) or damage to property or the environment, or (ii) otherwise arising out of or in any way connected with (a) any defect or alleged defect in the Products or Services; (b) the design or construction thereof; (c) any substances used in production of any Products or Services; (d) the use or disposition in any manner of such Products or Services; (e) the failure of the Products or Services to conform with Buyer's specifications of this Order, or any applicable law, rule or regulation; or (f) any misrepresentation by, or breach of any warranty of Seller with respect to the Products or Services.

Article 10 - Limitation of Liability

Seller's liability hereunder shall be limited to, and Buyer's sole remedy shall be, action for the purchase price of Products or Services delivered to and accepted by Seller as provided herein, subject to any and all of the Seller's rights of adjustment or set-off as provided herein. In no event shall Seller's liability exceed the total purchase price indicated herein or include any liability for incidental or consequential damages arising in connection with any Products or Services.

Article 11 - Modification of Project

If any specifications of the project change or differences in specification are noticed while conducting project labor, the Seller will, in writing, notify the Buyer immediately. A discussion will commence immediately to address obstacles and additional charges. If additional charges are necessary, a Change Order will be delivered to FMDS and approved before any project labor is continued.

Article 12 - Failure to Comply

Failure by Seller or Buyer to comply with any term or condition under this Contract shall entitle the other Party to give the Party in default written notice requiring it to make good such fault. If the Party in default has not initiated a resolution to such default within twenty-one (21) days after receipt of notice, the notifying Party shall be entitled, in addition to any other rights it may